

Sunset Public Hearing Questions for  
**Energy Efficient Schools Council**  
Created by Section 49-17-103, *Tennessee Code Annotated*  
(Sunset termination June 2013)

1. Provide a brief introduction to the Energy Efficient Schools Council, including information about its purpose, statutory duties, staff, and administrative attachment. Also describe the Energy Efficient Schools Initiative, its major activities, and its staffing

**RESPONSE**

The Energy Efficient Schools Initiative (“EESI”) was created by statute in June 2008. The Energy Efficient Schools Council Fund (“Fund”) was established with a deposit of \$90 million in excess lottery funds in July 2008. The Energy Efficient Schools Council (“Council”) was appointed in late 2008 and, in early 2009, the Council appointed a Technical Advisory Committee (“TAC”). In the spring of 2009, Energy Resource and Solutions, Inc. (“ERS”) was contracted to develop a mechanism to award grants and loans to public K-12 school districts. ERS conducted cost benefit analysis and calculated payback periods on energy efficient lighting and HVAC. ERS developed the prescriptive forms for approving projects. These forms included qualified measures, minimum specifications, application instructions, and grant incentive amounts for each measure. The approved forms are found on the EESI website [www.tn.gov/eesi](http://www.tn.gov/eesi). Custom incentive project application processes were also developed by EESI in consultation with ERS, recommended by the TAC, and approved by the Council. The Council equitably allocated grant incentive funding to each of the 136 public K-12 school districts based on the 2008/2009 fifth month average daily membership (“ADM”). Using these ADM numbers, the Council allotted grant incentives based on \$22 per student (totaling \$20,798,413).

In June 2009, the Council selected an Executive Director. A Program Administrator was hired in July 2009. These positions are administratively tied to The Department of Education. The first grant incentive prescriptive applications were approved by the Council on August 4, 2009. The Council’s goal for the EESI is to create a sustainable initiative and one strategy to accomplish that goal was a revolving loan fund. In March 2010, EESI entered into an agreement with the interdepartmental contract with the Comptroller of the Treasury to be the EESI loan administrator. The first loans were approved by the Council on June 3, 2010.

2. Provide a list of current members of the council and describe how membership complies with Section 49-17-103(a), *Tennessee Code Annotated*. Who appoints members? Are there any vacancies on the council? If so, what steps have been taken to fill the vacancies?

**RESPONSE** – The appointing authority listed below complies with Section 49-17-103(a), Tennessee Code Annotated and provides answer to who appointed. There are no vacancies.

MEMBER NAME	TERM EXP DATE	APPOINTED BY	
Dr. Tim Webb	6/30/2014	Governor	(Bill Haslam)
Mayor Carolyn Bowers	6/30/2014	Governor	(Phil Bredesen)
Mike Gundersen	6/30/2011	Governor	(Phil Bredesen)
Jim Keiffer	10/21/2012	Speaker of the House	(Jimmy Naifeh)
Rick Thompson	10/21/2012	Speaker of the House	(Jimmy Naifeh)
Allen Foster	6/30/2015	Speaker of the House	(Beth Harwell)
Denny Hastings	6/30/2014	Speaker of the Senate	(Ron Ramsey)
Gary Clardy	6/30/2011	Speaker of the Senate	(Ron Ramsey)
Thomas Rogers	6/30/2012	Speaker of the Senate	(Ron Ramsey)
Mike Herrmann	(TDOE Designee) 6/30/2011	Public Chapter 1188 (4a)	Ex-Officio Member
Molly Cripps	(ECD Designee) 6/30/2011	Public Chapter 1188 (4a)	Ex-Officio Member
Lori Munkeboe	(TDEC Designee) 6/30/2011	Public Chapter 1188 (4a)	Ex-Officio Member

3. Does the council include a public/ citizen member? A member who is 60 years of age or older? A member of a racial minority? A member who is female?

**RESPONSE**

**There is no specific public/citizen member appointment although Denny Hastings is not affiliated with any government body. There birthdates are not available on any documents. There are no racial minorities. There are three female members.**

4. Has a technical advisory committee been appointed as directed in Section 49-17-103(j), *Tennessee Code Annotated*? If so, provide a list of current members of the committee and describe how membership complies with Section 49-17-103(j)(2), *Tennessee Code Annotated*.

**RESPONSE**

**The Technical Advisory Committee has been appointed as directed in Section 49-17-103(j), Tennessee Code Annotated. The following list complies with Section 49-17-103(j)(2), Tennessee Code Annotated.**

**Jim Keiffer Co-Chair  
Tennessee Valley Authority  
Vice President-Customer Strategy Measurement and Support**

**Tom Rogers Co-Chair  
Oak Ridge National Laboratory  
Director of Industrial and Economic Development Partnership**

**Lee Baker-Member representing TVPPA Public Power**

**Terry Townsend-Member representing Professional Engineer**

**Kim Shinn-Member representing Sustainable Building Design**

**James Hastings-Member representing Sustainable Building Design**

**Bruce Fisackerly PE, GBE, CEM-Member representing Energy Performance Construction**

5. How many times did the council meet in fiscal years 2011 and 2012, and how many members were present at each meeting?

**RESPONSE**

**2011 - Jan. (6 members present), Feb. (6), May (9), July (9), Sept. (10)**

**2012 – Jan. (8 members present), Feb. (8), Mar. (7), May (6)**

6. What per diem or travel reimbursement do members of the council receive? How much was paid to council members during fiscal years 2011 and 2012?

**RESPONSE**

**The Council members do not receive per diem or travel reimbursement.**

7. What were the council's revenues (by source) and expenditures (by object) for fiscal years 2011 and 2012?

**RESPONSE**

**The first information presented is a summary of the Council fund. The second Report are the revenues and expenditures for EESI as reported by Education.**

FY 2010-11	Reserves	Interest	Total
	\$	\$	\$
Beginning Balance	85,376,087	1,280,538.42	86,656,624.94
Interest Earned	-	165,238.39	165,238.39
	\$		\$
Total Funds Available	85,376,087	1,445,776.81	86,821,863
FY 10-11 Expenditures	20,252,585.32	328,465.15	20,581,050.47
Reserve Balance June 30, 2011	\$ 65,123,501.20	1,117,311.66	\$ 66,240,812.86

FY 2011-12	Reserves	Interest	Total
	\$	\$	\$
Beginning Balance	65,123,501	1,117,311.66	66,240,812.86
Interest Earned	-	38,897.25	38,897.25
	\$		\$
Total Funds Available	65,123,501	1,156,208.91	66,279,710
FY 11-12 Expenditures to Date	34,613,666.27	143,972.27	34,757,638.54
Reserve Balance March 28, 2011	\$ 30,509,834.93	1,012,236.64	\$ 31,522,071.57

Education  
Energy Efficient Schools  
Initiative

**Scope:** 3313425003

Department 33134 Fund 25003

**Runtime:** May 01, 2012 at 15:25

	Budgeted	Actual Expenses	Obligations
Payroll			
Salary and Wages	148,800.00	112,613.00	-
Longevity	6,000.00	2,900.00	-
Overtime	-	-	-
Employee Benefits	58,800.00	39,231.60	-
<b>Total Payroll:</b>	<b>213,600.00</b>	<b>154,744.60</b>	<b>-</b>

Operational

Travel	10,200.00	4,647.63	-
Printing and Duplicating	500.00	-	25.38
Utilities and Fuel	-	-	-
Communications	2,400.00	-	-
Maint. & Repairs	-	-	-
Prof Services Third Party	151,300.00	22,294.04	98,742.70
Supplies and Materials	12,300.00	145.53	786.89
Rentals and Insurance	-	-	-
Motor Vehicle Operation	-	-	-
Awards and Indemnities	-	-	-
Grants and Subsidies	39,211,100.00	38,419,772.31	-
Unclassified	-	-	-
Inventory	-	-	-
Equipment	-	-	-
Land	-	-	-
Buildings	-	-	-
Discounts Lost	-	-	-
Highway Construction	-	-	-
Training	-	-	-
Data Processing	1,700.00	-	751.72
Prof Services by State			
Agency	25,400.00	8,051.74	-
Retirement of Debt	-	-	-
Interest on Debt	-	-	-
Trustee Fees	-	-	-
Depreciation	-	-	-
Loss on Disposal of			
Equipment	-	-	-

Reallocation Plant WO	-	-	-
<b>Total Operational:</b>	<b>39,414,900.00</b>	<b>38,454,911.25</b>	<b>100,306.69</b>
<b>Total Expenses:</b>	<b>39,628,500.00</b>	<b>38,609,655.85</b>	<b>100,306.69</b>

	<b>Budgeted</b>	<b>Actual Revenue</b>
Revenue		
Federal Revenue	4,211,100.00	483,202.14
Federal Capital Grants	-	-
Refund Prior Yr Fed Revenue	-	-
Counties	-	-
Refund of PY Local Expenses	-	-
Cities	-	-
Non-Govt Revenue	-	-
Other State	-	-
Current Services	417,400.00	-
Interest Income	-	42,121.26
Interdepartmental	-	-
Interdepartmental CUs	-	-
<b>Total Revenue:</b>	<b>4,628,500.00</b>	<b>525,323.40</b>

8. Is the council subject to Sunshine law requirements (Section 8-44-101 et seq., *Tennessee Code Annotated*) for public notice of meetings, prompt and full recording of minutes, and public access to minutes? What procedures does the council have for informing the public of its meetings and making its minutes available to the public?

**RESPONSE**

The council is subject to Sunshine law requirements (Section 8-44-101 et seq., *Tennessee Code Annotated*) for public notice of meetings, prompt and full recording of minutes, and public access to minutes. The council informs the public of its meetings on the EESI web site and makes its minutes available to the public in the EESI offices on the 7<sup>th</sup> floor of the Andrew Johnson Tower.

9. Has the council promulgated rules and regulations as authorized at Section 49-17-104(b), *Tennessee Code Annotated*? If so, please cite the reference.

### **RESPONSE**

#### **Rule Chapter 0520-13-1**

10. Describe the nature and extent of the council's activities and any major accomplishments of the past two years. Specifically, how do these activities carry out the purposes of the council as itemized at Section 49-17-103(e)(1) through (5), *Tennessee Code Annotated*?

### **RESPONSE**

By May, 2012, 123 school districts have been approved for projects totaling over \$17 million in grant incentives. These incentives were a part of an estimated \$60 million in total facility improvements in Tennessee's K-12 schools that saved an estimated \$5 million in annual energy costs at today's energy prices. To date, over \$12 million in grant incentives have been reimbursed to school districts.

Approximately \$69.7 million in loan projects has been approved and fully executed. Over \$50.3 million have been disbursed in loan reimbursements. Over \$25 million in loans from 27 completed loan projects are resulting in monthly loan repayments of \$227,269 a month by May 1, 2012.

Through the Energy Right Solutions Program, the Tennessee Valley Authority (TVA) is conducting both pre- and post-installation surveys for the projects submitted to EESI at no cost to the EESI. EESI staff uploads each application into TVA Online Connect, a collaborative data system; coordinates the project start dates; and, monitors the survey team activities at each district. Energy Right Solutions Program provides technical assistance to the school district calculates energy savings upon project completion to calculate the amount of TVA funds that will be received by the school district. Over \$2.7 million has been paid as incentives to the school districts to date.

The Department of Education was awarded a DOE grant for hybrid geothermal system installations based on a grant application prepared and submitted by EESI. The initial award was for \$3 million but was increased to \$4,255,374. Education entered into a contract with a CXGBS to oversee the planning, design, and construction activities associated with the geothermal projects. These projects (see

list below) will be funded through a combination of DOE grants, EESI grant incentives, EESI loans, and local funds.

**Lawrence County: Lawrence Public High School and South Lawrence High School**

**Hardeman County: Bolivar High School and Middleton High School**

**Hamilton County: Brainerd High School**

11. Does the council have policies in place to address potential conflicts of interest by council members, program staff, or other state employees who work with the council or program in any capacity?

**RESPONSE**

**The Council and Technical Advisory members have a Conflict of Interest Policy.**

12. Describe any items related to the council that need legislative attention and your proposed legislative changes.

**RESPONSE**

**There are no items related to the council that need legislative attention and your proposed legislative changes**

13. Should the council be continued? To what extent and in what ways would the absence of the council affect the public health, safety, or welfare?

**RESPONSE**

**The Council should be continued. The absence of the Council would not allow schools to receive funding for capital projects. Without funding, the schools may not have sufficient funds to pay for contracts. If schools do not pay contractors, the contractors could file lawsuits against the schools. The absence of the Council would not allow direction of the activities of the Technical Advisory Committee and Executive Director. These entities continue to provide service that continues the federal ARRA grant funding. The ARRA grant and the project construction is scheduled through February 2014. Absence of these funds would cause the same problems stated above.**

**The presence and the actions of the Council have provided the catalyst for over \$120 million in project funding. These projects have reduced utility and maintenance costs (reducing taxpayer funding of public K-12 education), improved lighting (resulting in improved safety and security with better lit facilities), improved facility ventilation (national studies have shown that these projects improve indoor air quality resulting in healthier school environments, reduce absenteeism, improve test scores, reduce illnesses, reduce liability of lawsuits from mold, etc.).**



14. Please list all council programs or activities that receive federal financial assistance and, therefore are required to comply with Title VI of the Civil Rights Act of 1964. Include the amount of federal funding received by program/activity.

[Federal financial assistance includes:

- (1) Grants and loans of Federal funds,
- (2) The grant or donation of Federal Property and interests in property,
- (3) The detail of Federal personnel,
- (4) The sale and lease of, and the permission to use (on other than a casual or transient basis), Federal property or any interest in such property without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale or lease to the recipient, and
- (5) Any federal agreement, arrangement, or other contract which has as one of its purposes the provision of assistance.

28 C.F.R. Sec. 42.102(c)]

[The term recipient means any State, political subdivision of any State, or instrumentality of any State or political subdivision, any public or private agency, institution, or organization, or other entity, or any individual, in any State, to whom Federal financial assistance is extended, directly or through another recipient, for any program, including any successor, assign, or transferee thereof, but such term does not include any ultimate beneficiary under any such program.

28 C.F.R. Sec. 42.102(f)]

***If the council does receive federal assistance, please answer questions 15 through 22. If the council does not receive federal assistance, proceed directly to question 20.***

## **RESPONSE**

***The Council had not directly received any federal assistance, proceed directly to response 20.***

15. Does your council prepare a Title VI plan? If yes, please provide a copy of the most recent plan.

## **RESPONSE**

16. Does your council have a Title VI coordinator? If yes, please provide the Title VI coordinator's name and phone number and a brief description of his/her duties. If not, provide the name and phone number of the person responsible for dealing with Title VI issues.

**RESPONSE**

17. To which state or federal agency (if any) does your council report concerning Title VI? Please describe the information your council submits to the state or federal government and/or provide a copy of the most recent report submitted.

**RESPONSE**

18. Describe your council's actions to ensure that council staff and clients/program participants understand the requirements of Title VI.

**RESPONSE**

19. Describe your council's actions to ensure it is meeting Title VI requirements. Specifically, describe any council monitoring or tracking activities related to Title VI, and how frequently these activities occur.

**RESPONSE**

20. Please describe the council's procedures for handling Title VI complaints. Has your council received any Title VI-related complaints during the past two years? If yes, please describe each complaint, how each complaint was investigated, and how each complaint was resolved (or, if not yet resolved, the complaint's current status).

**RESPONSE**

**The Council has not received a Title VI complaint. Complaints would be procedurally addressed through the administrative attachment to the Department of Education.**

21. Please provide a breakdown of current council staff by title, ethnicity, and gender.

**RESPONSE**

**Executive Director, white male**

**Program Administrator, white female**

22. Please list all council contracts, detailing each contractor, the services provided, the amount of the contract, and the ethnicity of the contractor/business owner.

**RESPONSE**

**The Council does not directly enter into any contracts.**